

MOR-1**UNITED STATES BANKRUPTCY COURT**

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849
PROPOSED PLAN DATE: _____

PETITION DATE: 2/28/18
DISTRICT OF TEXAS: Southern
DIVISION: Houston

MONTHLY OPERATING REPORT SUMMARY FOR MONTH**August****2018**

MONTH	March 2018	April 2018	May 2018	June 2018	July 2018	
REVENUES (MOR-6)	225,185.00	255,382.50	257,013.36	327,663.80	347,433.02	423,894.91
INCOME BEFORE INT. DEPREC./TAX (MOR-6)	52,010.12	62,696.75	970.39	91,410.96	94,810.76	121,819.81
NET INCOME (LOSS) (MOR-6)	29,204.69	37,647.13	-11,116.70	60,331.36	62,701.73	84,039.83
PAYMENTS TO INSIDERS (MOR-9)	10,416.00	17,916.00	22,266.00	17,067.70	20,589.70	13,704.48
PAYMENTS TO PROFESSIONALS (MOR-9)	0.00	0.00	5,000.00	0.00	0.00	0.00
TOTAL DISBURSEMENTS (MOR-8)	175,207.59	176,769.03	245,231.95	207,628.09	220,699.17	268,085.85

The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee

REQUIRED INSURANCE MAINTAINED AS OF SIGNATURE DATE		EXP. DATE
CASUALTY	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u>2-14-19</u>
LIABILITY	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u>4-5-19</u>
VEHICLE	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u>10-16-18</u>
WORKER'S	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u>2-14-19</u>
OTHER	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	<u>4-5-19</u>

CIRCLE ONE

Are all accounts receivable being collected within terms? Yes ☒ No ☐

Are all post-petition liabilities, including taxes, being paid within terms? Yes ☒ No ☐

Have any pre-petition liabilities been paid? Yes ☒ No ☐

If so, describe _____

Are all funds received being deposited into DIP bank accounts? Yes ☒ No ☐

Were any assets disposed of outside the normal course of business? Yes ☒ No ☐

If so, describe _____

Are all U.S. Trustee Quarterly Fee Payments current? Yes ☒ No ☐

What is the status of your Plan of Reorganization? Pending

ATTORNEY NAME: Richard Fuqua
FIRM NAME: Fuqua & Associates, P.C.
ADDRESS: 5005 Riverway Dr.
Suite 250
CITY, STATE, ZIP: Houston, TX 77056
TELEPHONE/FAX: 713-960-0277

MOR-1

I certify under penalty of perjury that the following complete
Monthly Operating Report (MOR), consisting of MOR-1 through
MOR-9 plus attachments, is true and correct.

SIGNED X

TITLE:

(ORIGINAL SIGNATURE)

(PRINT NAME OF SIGNATORY)

DATE

CASE NAME: Bendco, Inc.

CASE NUMBER: 18-30849

COMPARATIVE BALANCE SHEETS

ASSETS	FILING DATE* Feb. 28, 2018	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
CURRENT ASSETS							
Cash	6,618.87	17,412.74	82,299.40	64,768.58	9,916.09	171,547.48	127,122.86
Accounts Receivable, Net	167,307.97	219,262.75	237,237.49	334,912.84	518,635.15	483,929.55	687,383.03
Inventory: Lower of Cost or Market	3,798.00	3,798.00	3,798.00	3,798.00	3,798.00	3,798.00	3,798.00
Prepaid Expenses	0.00	0.00	0.00	5,000.00	5,000.00	5,000.00	5,000.00
Investments		0.00	0.00				
Other-Due from Texas Citizen's Bank	0.00	0.00	0.00				1,008.30
TOTAL CURRENT ASSETS	177,724.84	240,473.49	323,334.89	408,479.42	537,349.24	664,275.03	824,312.19
PROPERTY, PLANT & EQUIP. @ COST	7,641,555.88	7,641,555.88	7,641,555.88	7,641,555.88	7,738,311.72	7,738,311.72	7,738,311.72
Less Accumulated Depreciation	6,014,927.32	6,029,969.48	6,045,011.64	6,060,053.80	6,075,095.96	6,090,138.12	6,105,180.28
NET BOOK VALUE OF PP & E	1,626,628.56	1,611,586.40	1,596,544.24	1,581,502.08	1,663,215.76	1,648,173.60	1,633,131.44
OTHER ASSETS							
1. A/R-employees	572,720.00	572,720.00	572,720.00	572,720.00	572,720.00	572,720.00	575,220.31
2. Deposit on Forklift	0.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00	5,500.00
3. Electric Deposit	950.00	950.00	950.00	950.00	950.00	950.00	950.00
4.							
TOTAL ASSETS	\$2,378,023.40	\$2,431,229.89	\$2,499,049.13	\$2,569,151.50	\$2,779,735.00	\$2,891,618.63	\$3,039,113.94

* Per Schedules and Statement of Affairs

MOR-2

CASE NAME: Bendco, Inc.

CASE NUMBER: 18-30849

COMPARATIVE BALANCE SHEETS

LIABILITIES & OWNER'S EQUITY	FILING DATE*	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
LIABILITIES							
POST-PETITION LIABILITIES(MOR-4)		\$24,001.80	\$59,173.91	\$145,392.98	\$300,645.12	\$354,827.02	\$423,282.50
PRE-PETITION LIABILITIES							
Notes Payable - Secured	1,706,046.00	1,706,046.00	1,701,046.00	1,696,046.00	1,691,046.00	1,686,046.00	1,681,046.00
Priority Debt							
Federal Income Tax							
FICA/Withholding							
Unsecured Debt	1,965,069.55	1,965,069.55	1,965,069.55	1,965,069.55	1,965,069.55	1,965,069.55	1,965,069.55
Other							
TOTAL PRE-PETITION LIABILITIES	3,671,115.55	3,671,115.55	3,666,115.55	3,661,115.55	3,656,115.55	3,651,115.55	3,646,115.55
TOTAL LIABILITIES	3,671,115.55	3,695,117.35	3,725,289.46	3,806,508.53	3,956,760.67	4,005,942.57	4,069,398.05
OWNER'S EQUITY (DEFICIT)							
PREFERRED STOCK							
COMMON STOCK	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
ADDITIONAL PAID-IN CAPITAL	15,500.00	15,500.00	15,500.00	15,500.00	15,500.00	15,500.00	15,500.00
RETAINED EARNINGS: Filing Date	-1,309,592.15	-1,309,592.15	-1,309,592.15	-1,309,592.15	-1,309,592.15	-1,309,592.15	-1,309,592.15
RETAINED EARNINGS: Post Filing Date		29,204.69	66,851.82	55,735.13	116,066.49	178,768.21	262,808.04
TOTAL OWNER'S EQUITY (NET WORTH)	-1,293,092.15	-1,263,887.46	-1,226,240.33	-1,237,357.02	-1,177,025.66	-1,114,323.94	-1,030,284.11
TOTAL LIABILITIES & OWNERS EQUITY	\$2,378,023.40	\$2,431,229.89	\$2,499,049.13	\$2,569,151.50	\$2,779,735.00	\$2,891,618.63	\$3,039,113.94

* Per Schedules and Statement of Affairs

MOR-3

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849

SCHEDULE OF POST-PETITION LIABILITIES

	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
TRADE ACCOUNTS PAYABLE	\$13,967.29	\$27,224.58	9,998.22	12,099.76	8,284.34	30,152.09
TAX PAYABLE						
Federal Payroll Taxes			23,483.74	55,532.71	83,005.70	97,450.24
State Payroll Taxes						
Ad Valorem Taxes			11,000.00	11,000.00	11,000.00	11,000.00
Other Taxes	10,034.51	22,018.66	19,303.37	37,995.16	53,545.62	77,065.09
TOTAL TAXES PAYABLE	10,034.51	22,018.66	53,787.11	104,527.87	147,551.32	185,515.33
Due to G & A Outsourcing (See addendum to MOR-7)			42,122.95	42,122.95	42,122.95	42,122.95
SECURED DEBT POST-PETITION				96,755.84	95,333.09	93,904.41
ACCRUED INTEREST PAYABLE						
ACCRUED PROFESSIONAL FEES*		9,930.67	39,484.70	45,138.70	61,535.32	71,587.72
OTHER ACCRUED LIABILITIES						
1.						
2.						
3.						
TOTAL POST-PETITION LIABILITIES (MOR-3)	\$24,001.80	\$59,173.91	\$145,392.98	\$300,645.12	\$354,827.02	\$423,282.50

*Payment requires Court Approval
MOR-4

CASE NAME: Bendco, Inc.CASE NUMBER: 18-30849**AGING OF POST-PETITION LIABILITIES**August 2018

DAYS	TOTAL	TRADE ACCOUNTS	FEDERAL TAXES	STATE TAXES	AD VALOREM, OTHER TAXES	MONTH
0-30	\$118,217.18	30,152.09	69,857.42	7,207.67	11,000.00	\$118,217.18
31-60	\$0.00					
61-90	\$0.00					
91+	\$0.00					
TOTAL	\$118,217.18	\$30,152.09	\$69,857.42	\$7,207.67	\$11,000.00	\$118,217.18

AGING OF ACCOUNTS RECEIVABLE

MONTH						
	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
0-30 DAYS	182,189.07	196,353.81	189,032.30	374,090.48	299,963.21	440,490.51
31-60 DAYS	28,334.70	6,025.00	38,409.94	72,803.06	49,661.80	63,335.18
61-90 DAYS	8,738.98	26,614.70	52,880.75	44,622.63	65,723.93	43,376.80
91+ DAYS	0.00	8,243.98	30,918.98	27,118.98	68,580.61	140,180.54
TOTAL	\$219,262.75	\$237,237.49	\$311,241.97	\$518,635.15	\$483,929.55	\$687,383.03

MOR-5

Accrued expenses included in Accounts pa

\$0.00

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849

STATEMENT OF INCOME (LOSS)

	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018	FILING TO DATE
REVENUES (MOR-1)	225,185.00	255,382.50	257,013.36	327,663.80	347,433.02	423,894.91	1,836,572.59
TOTAL COST OF REVENUES	145,930.99	110,937.65	131,613.86	132,303.69	125,065.32	158,819.37	804,670.88
GROSS PROFIT	79,254.01	144,444.85	125,399.50	195,360.11	222,367.70	265,075.54	1,031,901.71
OPERATING EXPENSES:							
Selling & Marketing	0.00		1,259.67	0.00		125.07	1,384.74
General & Administrative	16,827.89	25,214.49	54,161.81	67,296.51	71,572.30	86,742.45	321,815.45
Insiders Compensation	10,416.00	17,916.00	19,866.00	12,916.00	20,416.00	25,338.52	106,868.52
Professional Fees	0.00	9,930.67	29,554.03	5,654.00	16,396.62	12,251.09	73,786.41
Insurance	0.00	18,686.94	8,587.60	7,082.64	8,172.02	7,798.60	50,327.80
Property Taxes	0.00	10,000.00	11,000.00	11,000.00	11,000.00	11,000.00	54,000.00
TOTAL OPERATING EXPENSES	27,243.89	81,748.10	124,429.11	103,949.15	127,556.94	143,255.73	608,182.92
INCOME BEFORE INT, DEPR/TAX (MOR-1)	52,010.12	62,696.75	970.39	91,410.96	94,810.76	121,819.81	423,718.79
INTEREST EXPENSE	0.00				402.25	398.12	800.37
DEPRECIATION	15,042.16	15,042.16	15,042.16	15,042.16	15,042.16	15,042.16	90,252.96
OTHER (INCOME) EXPENSE*	0.00						0.00
OTHER ITEMS**	0.00						0.00
TOTAL INT, DEPR & OTHER ITEMS	15,042.16	15,042.16	15,042.16	15,042.16	15,444.41	15,440.28	91,053.33
NET INCOME BEFORE TAXES	36,967.96	47,654.59	-14,071.77	76,368.80	79,366.35	106,379.53	332,665.46
FEDERAL INCOME TAXES	7,763.27	10,007.46	-2,955.07	16,037.44	16,664.62	22,339.70	69,857.42
NET INCOME (LOSS) (MOR-1)	\$29,204.69	\$37,647.13	(\$11,116.70)	\$60,331.36	\$62,701.73	\$84,039.83	\$262,808.04

Accrual Accounting Required, Otherwise Footnote with Explanation.

* Footnote Mandatory.

** Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

MOR-6

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849

CASH RECEIPTS AND DISBURSEMENTS	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	FILING TO DATE
	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018	
1. CASH-BEGINNING OF MONTH	\$6,618.87	\$17,412.74	\$82,299.40	\$64,768.58	\$9,916.09	\$171,485.48	\$6,618.87
RECEIPTS:							
2. CASH SALES							0.00
3. COLLECTION OF ACCOUNTS RECEIVABLE	186,001.46	241,655.29	185,578.18	152,775.60	382,268.56	223,661.23	1,371,940.32
4. LOANS & ADVANCES (attach list)							0.00
5. SALE OF ASSETS							0.00
6. OTHER (attach list)			42,122.95				42,122.95
TOTAL RECEIPTS**	186,001.46	241,655.29	227,701.13	152,775.60	382,268.56	223,661.23	1,414,063.27
(Withdrawal) Contribution by Individual Debtor MFR-2*							0.00
DISBURSEMENTS:							
7. NET PAYROLL	97,181.33	89,715.85	100,092.25	104,815.88	90,783.94	118,595.75	601,185.00
8. PAYROLL TAXES PAID						30,001.92	30,001.92
9. SALES, USE & OTHER TAXES PAID		2,212.67	4,672.73	148.50	1,237.88		8,271.78
10. SECURED/RENTAL/LEASES		10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	50,000.00
11. UTILITIES & TELEPHONE		5,836.19	16,195.18	12,122.81	14,018.66	12,638.12	60,810.96
12. INSURANCE		8,686.94	10,702.50	4,659.74	10,663.02	5,038.60	39,750.80
13. INVENTORY PURCHASES							0.00
14. VEHICLE EXPENSES	158.79	146.37	40.00				345.16
15. TRAVEL & ENTERTAINMENT		55.43	453.67				509.10
16. REPAIRS, MAINTENANCE & SUPPLIES	403.88	378.95	1,695.33		15,730.50	5,652.74	23,861.40
17. ADMINISTRATIVE & SELLING							0.00
18. OTHER (attach list) Addendum	77,463.59	59,411.23	96,380.29	75,881.16	75,340.17	82,846.72	467,323.16
TOTAL DISBURSEMENTS FROM OPERATIONS	175,207.59	176,443.63	240,231.95	207,628.09	217,774.17	264,773.85	1,282,059.28
19. PROFESSIONAL FEES			5,000.00				5,000.00
20. U.S. TRUSTEE FEES		325.00			2,925.00	3,250.00	6,500.00
21. OTHER REORGANIZATION EXPENSES (attach list)							0.00
TOTAL DISBURSEMENTS**	175,207.59	176,768.63	245,231.95	207,628.09	220,699.17	268,023.85	1,293,559.28
22. NET CASH FLOW	10,793.87	64,886.66	-17,530.82	-54,852.49	161,569.39	-44,362.62	120,503.99
23. CASH - END OF MONTH (MOR-2)	\$17,412.74	\$82,299.40	\$64,768.58	\$9,916.09	\$171,485.48	\$127,122.86	\$127,122.86

* Applies to Individual debtors only

**Numbers for the current month should balance (match)

\$127,122.86

MOR-7

RECEIPTS and CHECKS/OTHER DISBURSEMENTS lines on MOR-8

DE NAME: Bendco, Inc.DE NUMBER: 18-30849

	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH	FILING TO
	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018	DATE
OTHER DISBURSEMENTS							
Cost of sales	\$60,635.70	\$27,208.01	\$39,703.91	\$22,844.27	\$42,289.40	\$29,451.55	\$222,132.84
General & administrative expenses	\$16,827.89	\$5,515.02	\$41.92	\$37,036.89	\$17,050.77	\$33,886.56	\$110,359.05
Property Tax	\$0.00	\$10,000.00	\$22,000.00	\$11,000.00	\$11,000.00	\$11,000.00	\$65,000.00
G & A Partners	\$0.00	\$11,688.20	\$29,634.46	\$0.00			\$41,322.66
Ascentium Capital	\$0.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$25,000.00
Texas Citizen's Bank-Check cashed twice						\$1,008.30	
Texas Citizen's Bank-Sept check cleared in August	\$0.00	\$0.00				\$2,500.31	\$2,500.31
Total	\$77,463.59	\$59,411.23	\$96,380.29	\$75,881.16	\$75,340.17	\$82,846.72	\$466,314.86

Addendum to MOR-7**Other Cash Receipts**

G & A Outsourcing refund

\$42,122.95 This amount was refunded by G & A Outsourcing on May 4 with notice that they were applying all other payments received post-petition (\$37,699.71) to amounts owed pre-petition. The refund amount has been shown as a post-petition liability on the balance sheet.

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849

CASH ACCOUNT RECONCILIATION
MONTH OF August 2018

BANK NAME					
ACCOUNT NUMBER			#		
ACCOUNT TYPE	OPERATING	PAYROLL	Paypal	OTHER FUNDS	TOTAL
BANK BALANCE	117,170.45		1,898.89	\$8,670.10	\$127,739.44
DEPOSITS IN TRANSIT	12,330.00				\$12,330.00
OUTSTANDING CHECKS	17,017.58				\$17,017.58
ADJUSTED BANK BALANCE	\$112,482.87		\$1,898.89	\$8,670.10	\$123,051.86
BEGINNING CASH - PER BOOKS	162,877.38	0.00	0.00	8,670.10	\$171,547.48
RECEIPTS*	221,387.73	0.00	2,273.50		\$223,661.23
TRANSFERS BETWEEN ACCOUNTS	298.03		-298.03	0.00	\$0.00
(WITHDRAWAL) OR CONTRIBUTION BY INDIVIDUAL DEBTOR MFR-2					\$0.00
CHECKS/OTHER DISBURSEMENTS*	268,009.27	0.00	76.58		\$268,085.85
ENDING CASH - PER BOOKS	\$116,553.87	\$0.00	\$1,898.89	\$8,670.10	\$127,122.86

MOR-8

*Numbers should balance (match) TOTAL RECEIPTS and
TOTAL DISBURSEMENTS lines on MOR-7

CASE NAME: Bendco, Inc.
CASE NUMBER: 18-30849

PAYMENTS TO INSIDERS AND PROFESSIONALS

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals.
Also, for insiders, identify the type of compensation paid (e.g., salary, commission, bonus, etc.) (Attach additional pages as necessary).

INSIDERS: NAME/COMP TYPE	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
1. Rick Friery-Salary	\$5,416.00	\$6,666.00	7,900.00	8,124.00	6,416.00	5,750.00
2. John Tharp-Salary	\$5,000.00	\$6,250.00	7,966.00	6,250.00	12,000.00	5,750.00
3. Rick Friery-Commission		\$2,000.00	2,000.00	1,440.35	931.25	0.00
4. John Tharp-Commission		\$3,000.00	4,400.00	1,253.35	1,242.45	2,204.48
5.						
6.						
TOTAL INSIDERS (MOR-1)	\$10,416.00	\$17,916.00	\$22,266.00	\$17,067.70	\$20,589.70	\$13,704.48

PROFESSIONALS	March 2018	April 2018	May 2018	June 2018	July 2018	August 2018
1. Russell, Craft & Schulz-retainer			5,000.00			
2.						
3.						
4.						
5.						
6.						
TOTAL PROFESSIONALS (MOR-1)	\$0.00	\$0.00	\$5,000.00	\$0.00	\$0.00	\$0.00

MOR-9